

**MINUTES  
of the  
FOURTH MEETING IN 2005  
of the  
WELFARE REFORM OVERSIGHT COMMITTEE**

**September 21 and 22, 2005  
State Capitol, Santa Fe, New Mexico**

The fourth meeting in 2005 of the Welfare Reform Oversight Committee was called to order by Representative Luciano "Lucky" Varela, vice chair, on Wednesday, September 21, at 9:10 a.m. at the State Capitol in Santa Fe. All handouts are in the meeting file.

**PRESENT**

Sen. Linda M. Lopez, Chair  
Rep. Luciano "Lucky" Varela, Vice Chair  
Sen. Sue Wilson Beffort  
Rep. Kandy Cordova  
Sen. Clinton D. Harden, Jr.  
Sen. John Pinto  
Rep. Nick L. Salazar  
Rep. Gloria C. Vaughn

**ABSENT**

Rep. Irvin Harrison  
Sen. Steven P. Neville  
Sen. Gerald Ortiz y Pino  
Rep. Avon W. Wilson

**Advisory Members**

Rep. Ernest H. Chavez  
Rep. Candy Spence Ezzell  
Rep. Daniel R. Foley (9/21)  
Rep. Larry A. Larrañaga  
Rep. Edward C. Sandoval  
Rep. Jim R. Trujillo

Sen. Ben D. Altamirano  
Rep. Richard P. Cheney  
Sen. Dianna J. Duran  
Sen. John C. Ryan  
Sen. James G. Taylor

(Attendance dates are noted for those members not present for the entire meeting.)

**Staff**

Jennie Lusk  
Carrie McGovern

**Guests**

The guest list is in the meeting file.

**Wednesday, September 21**

***CHILDREN, YOUTH AND FAMILIES DEPARTMENT (CYFD) CHILD CARE PROGRAMS***

Secretary Mary-Dale Bolson, CYFD, discussed the department's current emphasis on improving the quality of child care providers and provided an overview of the programs currently funded. She noted that \$500,000 had been redirected from the general fund to home visit programs administered by the department, with an eye to targeting high-risk, high-need parents. The secretary also discussed a pilot project in the Colonias area in southern New Mexico under which parents can be paid a subsidy to take 45 hours of child development courses and then become child care providers for their own and others' children. She also noted the expansion of "nontraditional" child care services for parents who work hours outside an 8:00 a.m. to 5:00 p.m. schedule. Child care was cut by \$30 million for TANF clients during the current fiscal year.

The secretary explored several scenarios by which New Mexico could expand the number of children eligible for child care services. If the eligibility rates move from 150 to 160 percent, the secretary would expect an increase to \$2,379,361 per year for the budget; if to a level between 150 and 200 percent, the price tag would be \$4,441,580 in licensed care.

On questioning from committee members, the secretary stated that the department had made recommendations on its budget for the executive, but that the budget is not yet approved. The committee vice chair will talk with the Legislative Finance Committee staff to find out whether the department will request a flat budget.

***TRANSITIONS FOR YOUNG PEOPLE LEAVING FOSTER CARE***

Tara Ford, Pegasus Legal Services co-director, and Maureen Sanders, attorney, presented the predicament of young people raised in foster care custody of the state who are released at age 18 unprepared to find housing, schooling and work on their own. Ms. Ford emphasized that the state is well aware of how long the children will be in the state's custody and of the children's needs, yet plans very little for these young people. Foster care children are known to have a higher level of special needs than the general population. The problems that bring children into foster care — abuse, neglect, incarcerated parents and disabilities — can have an impact on children's development and levels of attainment. The state is obligated to provide some services such as special education for identified young people until age 21. Many former foster children are eligible for the developmental disabilities (DD) waiver program, but, even though the waiting list is up to five years for DD services, CYFD rarely applies for services for the children in advance. Many former foster children become homeless when they are released from state custody at age 18, and many are incarcerated.

The presenters advocated creating a program of mentorships for young people, along the lines of the gold mentor program cut during the 2005 session in the Aging and Long-Term Services Department. That program could help young people transition out of state custody and navigate the bureaucracies involved in getting appropriate services and education. In addition,

the two advocated changing medicaid eligibility from age 18 to age 21— a simple move that would affect approximately 100 children formerly in foster care and approximately another 60 children in the juvenile justice system. They reminded the committee members that the state has a special obligation to foster children, since it removed them from their natural supports: their birth families. The state can pay initially for positive supports, they said, or can pay later for housing former foster youth in homeless shelters or correctional facilities.

The two recommended the following policy changes: (1) identify foster children with disabilities as early as possible; (2) pass legislation requiring state agencies to develop a structure to ensure that educational needs of children and youth in foster care are met; (3) ensure adequate housing is made available; (4) ensure that the foster care children have support from mentors; (5) increase job opportunities for foster youth; (6) provide medicaid benefits to all youth emancipating from CYFD custody up to age 21 as allowed by federal law; and (7) pass legislation empowering CYFD to require attendance of staff at a transition planning meeting for youth at six months prior to emancipation. On questioning from committee members, the two agreed that, within the web of agencies offering services to young people, there is very little systemic coordination or case management. Foster children tend to find information at agencies, but little, if any, coordination.

### ***CHILD CARE SUBSIDIES***

Linda Siegel, Rebecca Dow, Dan Ritchie and Donna Fletcher appeared before the committee in order to give members more insight into licensed child care. New Mexico Temporary Assistance for Needy Families (TANF) dollars go not only to licensed child care providers such as not-for-profit and for-profit corporations, faith-based and secular companies and Head Start agencies, but also to registered, unlicensed homes. The three suggested that CYFD use a sliding scale to remove families from TANF subsidies incrementally rather than all at once. Ms. Fletcher, who is from a downtown Albuquerque preschool, discussed that school's sliding scale by which parents are slowly weaned from subsidies. Mr. Ritchie advocated changing the phrase "child care subsidy" to "early care and education scholarship" in order to shift legislative perception from simply moving children into daycare to actually putting them into quality daycare.

The New Mexico Association for the Education of Young Children advocates raising the level of eligibility for child care subsidies to families making up to 200 percent of the poverty level; continuing to expand pre-K programs; providing TEACH scholarships for child care staff similar to those available for classroom teachers; and supplementing wages for early childhood teachers. There was a net loss in child care subsidies last session — when about \$500,000 was cut from this budget.

### ***TANF FUNDING, PRE-K INITIATIVE***

Dr. Patricia Parkinson, Richard LaPan and Lana Paolillo, early literacy bureau chief and director of Reading First, reported that last fiscal year was the final year of Public Education Department (PED) funding for after-school programs. The money for those programs was transferred from the Human Services Department (HSD) to PED. Legislators questioned why

the TANF-funded child care subsidies did not include many programs in the southeast quadrant of the state; Dr. Parkinson said she would check to see whether programs from that area applied and noted that the initial priorities of the departments was to get programs in place in Title I schools that have a high percentage of poor children and in school districts that are not meeting adequate yearly progress (AYP) goals. According to Mark Weber, Legislative Finance Committee staff, the pre-K program is expected to pick up some of the services formerly provided by PED in its after-school programs. Legislators questioned the equity of funding some programs where a school is meeting AYP goals and asked whether it is fair to make successful schools ineligible for pre-K programs.

Dr. Parkinson discussed the historic importance of the pre-K program, in which PED and its public schools collaborate with CYFD and its private providers to provide programming. She said, in answer to committee questions, that the department hopes to greatly expand the program so that there is a voluntary pre-K program for every four-year-old who needs it. Legislators also expressed concern that there be more parity between pre-K programs in the public schools where reimbursements can be made as a supplement to other publicly supported services and the private sector, where teachers work for lower wages and benefits.

Representative Varela directed the department to respond to allegations of geographic bias, and Dr. Parkinson agreed to do so.

### ***MINUTES***

On motion of Senator Harden and second of Representative Vaughn, the minutes of the August meeting were approved unanimously.

### ***CASE MANAGEMENT SERVICES***

Reese Fullerton, Office of Workforce Training and Development (OWTD) director, and Bill Dunbar, OWTD deputy director, introduced several panelists to inform the committee about case management in that office. The panelists were: Lawrence Rael, director of the Albuquerque-area Council of Governments (COG), including Sandoval, Valencia, Torrance and Bernalillo counties; Conroy Chino, secretary of labor; Gwen Hunter, director of WIA and TANF programs in central New Mexico; and Jan Bradburn, director of the Clovis Community College Workforce Training Center and the Eastern Area Workforce Development Board. In addition, former TANF clients Rosalie Garcia and Helen Esquibel discussed their experience with case managers in eastern New Mexico.

Mr. Fullerton outlined time lines for services related to workforce training: on October 3, a Belen "one-stop shop" will open; by December 31, a Sandoval County operation will begin; by February of 2006, a Torrance County office will open; and by April 2006, a new Bernalillo County office will open. The eastern regional office, opened in 2004, was a pilot project. On July 1, 2005, OWTD contracted with the eastern board to provide and enhance services.

Mr. Rael noted that the COG provides administration for the workforce connection board for central New Mexico and that funds pass from OWTD to the local board and then to the COG.

The COG office provides all financial and administrative functions on behalf of the board. The local workforce board received TANF funds on behalf of OWTD and contracted with the Labor Department (DOL) for services. The DOL contracted with a board to run the WIA program.

Under DOL, four offices provided services for TANF clients, and the transition in administration went smoothly with the exception of one area. COG is attempting to use facilities not otherwise in use.

Mr. Chino gave a snapshot of TANF from the DOL point of view: the department entered into the TANF contract 90 days ago with a dedication to removing barriers to employment and improving mental health and chemical dependency services. Since DOL took over, there have been 1,800 participants. There are 251 clients placed in jobs, and 400 persons have been trained.

Mr. Chino reported difficulty in entering data in four different databases; trying to integrate case management with other agencies; and cross-training staff. The DOL is using one common intake tool for all potential services.

Ms. Nutter reported on orientation for staff in the central region, which consists of four days in Bernalillo County and one day elsewhere. Ms. Bradburn reported on the pilot program for the east side, where all staff were cross-trained to provide information on services, including WIA, TANF, food stamps and college financial aid. The pilot program targeted two markets: participants; and businesses and future employers.

On questioning from committee members, Mr. Rael stated that the concerns in selecting an agency for case management were: (1) whether the agency was the one people were accustomed to using or a different one; (2) whether it could bring in other partners to help provide services; and (3) whether it had an understanding of the labor market in the area so that it could respond quickly to local needs. Because DOL had been a good WIA provider, it had some preference as the case management agency. In addition, it appeared to be capable of expanding the network of other partners and of responding to local needs. Individual case managers are required to have a four-year degree plus at least two years of experience in human services or five years of field experience in human services. Mr. Chino reported that a task force has been convened to get the databases melded; the project could take up to five years, although a two-to-three-year goal is in place. Mr. Chino also reported that 29 full-time case management employees are located in the city of Bernalillo, with a total of 52 employees in the central area. Each employee has a case load of 220, although 100 would be preferable.

HSD monitors DOL's performance, according to Mr. Fullerton, although OWTD would bring a compliance issue, if one arose.

### ***RECESS***

The committee recessed for the day at 5:00 p.m.



**Thursday, September 22**

Representative Varela reconvened the meeting at 9:05 a.m.

***ESTABLISHING MEANINGFUL PERFORMANCE MEASURES, EVALUATING SUCCESS, EDUCATION SERVICE DELIVERY***

Jack Tweedie, NCSL director of children's programs, and Mark Weber, LFC, gave a wide-ranging, three-hour presentation. The two introduced new LFC staff member, David Lucero, who was the former budget director at HSD. Mr. Lucero will be the primary contact for CYFD and OWTD.

**Update on Federal TANF Reauthorization.**

Mr. Tweedie gave a brief update on federal TANF reauthorization, including that TANF has been extended through December 31, 2005 as part of the legislative response to the Hurricane Katrina disaster. It now appears the reauthorization will be incorporated into the federal budget reconciliation. It is not yet known whether the cuts proposed in TANF in the reauthorization will be in the reconciliation language. It is likely that work participation rates will be elevated to 70 percent and that only work (as opposed to education programming) will meet the work requirements. Marriage and family formation are likely to be the only area of increased funding. Currently there is a proposal to cut \$10 billion of the medicaid budget over the next five years. Mr. Weber added that the state may be over the threshold on health insurance premium taxes, which in future may be limited to 3 percent.

**Performance Evaluation - Measuring Outcomes.**

Mr. Tweedie focused on the importance of measuring success through examining outcomes — a method he recommended to the committee for its own use. He said it is critical for legislators to look for actual improvement over time — to identify priorities and see whether they are being met, to set targets and to measure progress. He noted that a lack of education is the most common challenge for TANF clients, as 40 percent of TANF clients nationwide lack a high school diploma or general equivalency diploma. The lack of a high school education affects employment, wages and earnings. However, there has been only limited success for programs aimed at diploma or GED completion. He recommended focusing on a diploma or GED only as the student gets close to completing high school and to focus instead on the importance of length and intensity of participation.

To evaluate education programs, he suggested the committee examine: whether a program has a focus on employment-related goals and offers hands-on work experience; how much collaboration the program has with welfare and community agencies; early intervention and personal attention on adolescent problems; and a commitment to continuous staff development. He suggested the committee consider post-secondary education as a work activity and focus on high-wage and high-growth job initiatives. Other states have found "job hopping" — having state aid in moving from an entry-level job to a more lucrative and permanent one — well worth state funds invested, Mr. Tweedie said.

Representative Varela, Mr. Tweedie and Mr. Weber discussed the Arkansas "outcomes" and their suitability for use in New Mexico to evaluate performance. Although not all the measures will be the same across states, according to Mr. Tweedie, New Mexico will need measures to track domestic violence supports, educational supports and child care supports, most of which are administered by CYFD. LFC plans subcommittee hearings from each key agency, according to Mr. Weber, with an action plan to meet targets. Representative Varela asked Mr. Weber to give the committee an estimate of changes to benefits eligibility when a worker's salary goes up to \$7.00 per hour and beyond — through \$11.00 per hour. Mr. Tweedie suggested the committee also seek information on job retention after six months. One place to find good retention figures is the unemployment database. However, a new database from the federal health and human services department is available to states for identifying child support obligations by reporting who is working and who is not. The database is called "new hires". In order to get the database information, sometimes statutes and sometimes memoranda of understanding are required to support the exchange of information.

Mr. Weber said that \$7.00 per hour is really a poverty threshold for a family of three and that a person making \$7.00 per hour will not get out from poverty. Children are eligible for medicaid up to 185 percent of poverty, but child care support is available only to those up to 150 percent of poverty. The federal government controls who is eligible for food stamps and for earned income tax credits. Discussion ensued on the importance of subsidized housing and job retention and on data needed.

Evaluation discussions by Mr. Tweedie included mention of the importance of determining whether Education Works is well designed to focus on work (as opposed to education) and time limits. Most effective "chunks" of education are tied to specific jobs, he said. Mr. Tweedie can provide assistance with evaluation.

The following topics were raised and discussed: the Washington state model for community college and business activities; job retention among TANF clients; needs for GRADS and other support systems for parents dealing with poverty; the drop-out rate; focusing on earnings (as a percent of poverty) rather than on salary; and time limits imposed on those returning to school.

Representative Varela noted that agency representatives still have not attended WROC meetings and expressed his frustration at the fact that many agencies had no representation whatever. Staff was instructed to remedy the situation through sending a letter stating that the chairs and committee members request the presence of a staff person at every meeting.

From the audience, Ruth Hoffman, Lutheran Office of Governmental Ministries director, was recognized, and she stated that current performance measures are inadequate and that she hoped committee members would fulfill their roles as legislators by setting goals and policies and seeing that they are implemented; recommended that measurements be for earnings rather than for wages; and reminded members that it is highly unlikely they will be able to get most New Mexicans currently living in poverty into \$12.00 per hour jobs. Instead, a more realistic



policy is to insure that people have a safe place to live, health insurance for children and support for moving up the income ladder.

### ***CREATIVE APPROACHES TO PROVIDING EDUCATION SERVICES***

**ABE:** Pam Etre-Perez, director of adult basic education (ABE) in the Higher Education Department, talked about ABE's Work Readiness Adult Basic Education Program (WRAP), which concentrates on remedial education services. The goal of the program is a GED or entry into a community college. The department has \$1 million for FY 2004-2005, in part subcontracted through ENMU-Roswell. She reported that 81 percent of clients referred to ABE programs from New Mexico Works received services.

**TANF Programs - SFCC:** Susan Geary, head of TANF programs at Santa Fe Community College, reported that her program has found that fundamental screening programs for basic hearing and vision are helpful in identifying barriers to work. Her department, which gets referrals from New Mexico Works and the Human Services Department, does a thorough interview and screening as well as taking an employment, health and safety history for each client. The program helps people earn their degrees or enter technical programs by helping them discover interests and values. The program also helps people to prepare resumes. She has found that approximately 50 percent of the clients have a learning disability.

**ESL:** Gustave Kocsis, program coordinator for English as a Second Language (ESL) programs at Santa Fe Community College, reported that the program now has 1,500 students and cannot serve all who need the services. He estimates that 30 percent of the adult population needs ESL services, and he has had to turn down requests for ESL services at community centers and churches. The ESL population at SFCC is a working, low-income population, most of whom are under 45 years old and speak below an intermediate level of English. One of the most frequent reasons cited for wanting to learn English is to help children – the next generation – in school.

**Business Perspective:** Marilyn King, director of the Business and Industry Training Center at San Juan Community College, emphasized the importance of screening for learning disabilities and language barriers using simple assessment tools. As a center working with employers, San Juan's facility needs a developed workforce that can be educated in job skills on-site. Without services identifying and ameliorating learning disabilities and solving some processing or language problems, local businesses will have a far more difficult time finding a stable pool of employees.

**DVR:** Gary Beene, assistant secretary of the Department of Vocational Rehabilitation, opened his presentation by stating that poverty is a greater problem than a flight of stairs for people with disabilities. He and his programmatic staff members, Ralph Vigil from vocational rehabilitation services and Kelly Davis from a special project on committee issues, have begun a project on removing the barrier of motivation. He mentioned a Bureau of Business and Economic Research (UNM-BBER) study indicating that people with disabilities who go to work return \$5.00 for every \$1.00 the staff spends. That study will be distributed with the minutes of

the meeting and will be in the library file. Those eligible for vocational rehabilitation services must have an identified disability and they are served on an individualized basis.

**Summary:** Ms. Etre-Perez summed up three important points: (1) approximately one-third of adults aged 18-24 in New Mexico (400,000 persons) have no high school diploma; (2) those without a diploma face intense barriers and obstacles to employment; and (3) an individualized approach can meet the needs of this population.

On questioning from the committee, the presenters acknowledged that the federal government push to work first is a barrier to a state's decision to put people into school first. ESL and GED programs do not count as a work activity under federal rules, but states can permit ESL and GED programs to be work activities, so long as the states provide funding.

Senator Harden and Representative Vaughn agreed to carry a bill for ABE funding, and Senator Harden will carry a bill for full funding for the Gold Mentor Program.

### ***EDUCATION WORKS PROGRAM***

Susan Loubet talked about the Education Works program. Education Works was inspired by the Maine Parents as Scholars Program (MPSP); both MPSP and Education Works benefit TANF-eligible individuals while they go to school. The program provides eyeglasses, dental services uniforms and other services.

Currently, the program is funded for 500 participants at \$500,000; recently it has been given flexibility to increase the number of semester hours for participants if the income support division of HSD has adequate funding to do so.

Participating in Education Works takes a person off the TANF "timeclock" while benefits run. Those in the program must maintain at least a 2.0 average and take 12 credit hours per semester.

On motion of Senator Beffort with a second from Representative Vaughn, the committee unanimously voted to send a letter to New Mexico's congressional delegation supporting the Education Works program and urging the representatives to ensure that any new federal bill will continue to allow the state to use Education Works funding in its "maintenance of effort" funding.

### ***ADJOURNMENT***

The meeting adjourned at 3:45 p.m., on motion of Representative Sandoval with a second from Representative Varela.

<p>NEXT MEETING: Monday and Tuesday, October 17 and 18, 2005 State Capitol, Room 307</p>
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